

**Executive Summary – Enforcement Matter – Case No. 44868**  
**Multi-Chem Group, LLC**  
**RN103948733**  
**Docket No. 2012-1753-MLM-E**

**Order Type:**

Findings Agreed Order

**Findings Order Justification:**

Three or more enforcement actions (NOVs, orders, etc.) over the prior five year period for the same violation(s).

**Media:**

MLM - IHW, PWS, and WQ

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Multi-Chem Sonora Manufacturing Plant, 349 Private Road 4473, Sutton County

**Type of Operation:**

Chemical manufacturing facility with an associated public water supply system

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: The complainant has expressed an interest in this matter.

**Texas Register Publication Date:** February 1, 2013

**Comments Received:** Yes - One comment received from: Sutton County Underground Water Conservation District.

***Penalty Information***

**Total Penalty Assessed:** \$15,562

**Amount Deferred for Expedited Settlement:** \$0

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$15,562

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$0

Name of SEP: N/A

**Compliance History Classifications:**

Person/CN - N/A

Site/RN - Poor

**Major Source:** Yes and No

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2011

**Executive Summary – Enforcement Matter – Case No. 44868**  
**Multi-Chem Group, LLC**  
**RN103948733**  
**Docket No. 2012-1753-MLM-E**

***Investigation Information***

**Complaint Date(s):** May 18, 2012

**Complaint Information:** Alleged there were countless spills and inadequate clean-up procedures resulting in contaminated run-off into a nearby creek at the Multi-Chem Sonora Manufacturing Plant.

**Date(s) of Investigation:** June 15, 2012

**Date(s) of NOE(s):** July 27, 2012

***Violation Information***

1. Failed to obtain authorization to discharge storm water associated with industrial activity [30 TEX. ADMIN. CODE § 281.25(a)(4) and 40 CODE OF FEDERAL REGULATIONS § 122.26(c)].
2. Failed to prevent the unauthorized discharge of wastewater into or adjacent to water in the state [TEX. WATER CODE § 26.121(a)(1)].
3. Failed to prevent the unauthorized discharge and imminent threat of discharge of industrial solid waste into or adjacent to water in the state [30 TEX. ADMIN. CODE § 335.4].
4. Failed to submit plans and specifications and obtain written approval from the Executive Director prior to the construction of a new public water system [30 TEX. ADMIN. CODE § 290.39(e)(1) and (h)(1) and TEX. HEALTH & SAFETY CODE § 341.035(a)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The following corrective actions have been taken:

- a. On September 13, 2012, all outlets that provide water for human consumption were connected to an approved public water supply system;
- b. On September 21, 2012, an individual wastewater permit application for storm water discharges associated with industrial activities at the Facility was submitted to the TCEQ;
- c. On September 26, 2012, documentation was submitted demonstrating that all unauthorized discharges of wastewater have ceased, an application for the beneficial use of industrial reclaimed water for irrigation purposes has been submitted and the reverse osmosis reject wastewater will be hauled off-site for disposal until the beneficial use authorization is granted; and

**Executive Summary – Enforcement Matter – Case No. 44868**  
**Multi-Chem Group, LLC**  
**RN103948733**  
**Docket No. 2012-1753-MLM-E**

d. On September 27, 2012, documentation was submitted demonstrating that the uncapped drains of the laboratory and Containment No. 2 have been capped to prevent future leakage and soil contamination, improperly contained contaminated soil has been containerized and transported from the Facility for disposal, all contaminated soil has been excavated and transported from the Facility for disposal and confirmation sampling has been conducted which shows that all areas of soil contamination have been adequately remediated.

**Technical Requirements:**

The Order will require Respondent to, within 300 days, submit written certification of compliance that either authorization to discharge storm water runoff has been obtained or that operation has ceased until such time that appropriate authorization is obtained.

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**SOAH Referral Date:** N/A

**Hearing Date(s):** N/A

**Settlement Date:** N/A

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Stephen Thompson, Enforcement Division, Enforcement Team 3, MC 169, (512) 239-2558; Debra Barber, Enforcement Division, MC 219, (512) 239-0412

**TCEQ SEP Coordinator:** N/A

**Respondent:** James B. Archer, President, Multi-Chem Group, LLC, 350 North Paul Street, Suite 2900, Dallas, Texas 75201-4234

**Respondent's Attorney:** N/A

## **TCEQ Interoffice Memorandum**

---

**To:** Bryan W. Shaw, Ph.D., Chairman  
Carlos Rubinstein, Commissioner  
Toby Baker, Commissioner  
Les Trobman, General Counsel

**Thru:** ~~BT~~ Bryan Sinclair, Director, Enforcement Division

**From:** ~~SJ~~ Susan Johnson, Manager Enforcement Division

**Date:** March 8, 2013

**Subject:** Response to Comment Received Concerning Proposed Agreed Enforcement Order  
Multi-Chem Group, LLC, Sutton County, RN103948733  
Enforcement Case No. 44868, Docket No. 2012-1753-MLM-E

In response to a publication in the Texas Register on February 1, 2013, one comment has been received regarding a proposed agreed enforcement order requiring certain actions of Multi-Chem Group, LLC. The comment was received within the thirty-day public comment period.

The proposed order resolves violations of: 30 TEX. ADMIN. CODE § 281.25(a)(4) and 40 Code of Federal Regulations § 122.26(c) for failing to obtain authorization to discharge storm water associated with industrial activity; TEX. WATER CODE § 26.121(a)(1) for failing to prevent the unauthorized discharge of wastewater into or adjacent to water in the state; 30 TEX. ADMIN. CODE § 335.4 for failing to prevent the unauthorized discharge and imminent threat of discharge of industrial solid waste into or adjacent to waters in the state; and 30 TEX. ADMIN. CODE § 290.39(e)(1) and (h)(1) and TEX. HEALTH & SAFETY CODE § 341.035(a) for failing to submit plans and specifications and obtain written approval from the Executive Director prior to the construction of a new public water system. The violations were documented on June 15, 2012. TCEQ staff and Multi-Chem Group, LLC agreed on the terms of the proposed order on November 30, 2012. The order would assess a Fifteen Thousand Five Hundred Sixty-Two Dollar (\$15,562) penalty.

A copy of the comment, and the staff response to the comment, are attached for your consideration. In summary, the commentor is expressing concerns that the documented violations present a serious threat to the quality of the underground water supply and that the corrective actions taken by Multi-Chem Group, LLC may not be adequate to ensure the continued protection of the environment. Staff's position, as reflected in the response, is that the TCEQ has worked diligently to ensure the effective

clean-up of contamination at the facility and will continue to provide oversight as a regulating authority in order to promote the sustained protection of the environment. Accordingly, the Enforcement Division recommends that you adopt this proposed order.

### **Attachments**

cc: Stephanie Bergeron Perdue, Special Counsel, Office of the Executive  
Director, MC 109  
Manager, Water Section, San Angelo Regional Office  
Stephen Thompson, Coordinator, Enforcement Division  
Central Records, MC 213, Building E, 1st Floor, IHW/88112/CO  
Enforcement Division Reader File

Bryan W. Shaw, Ph.D., *Chairman*  
Carlos Rubinstein, *Commissioner*  
Toby Baker, *Commissioner*  
Zak Covar, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

March 8, 2013

Mr. James J. Polonis, General Manager  
Sutton County Underground Water Conservation District  
301 South Crockett Avenue  
Sonora, Texas 76950

Re: Comment Received, Proposed Agreed Enforcement Order  
Multi-Chem Group, LLC; RN103948733  
Docket No. 2012-1753-MLM-E; Enforcement Case No. 44868

Dear Mr. Polonis:

On March 4, 2013, we received your letter concerning the proposed agreed enforcement order for the Multi-Chem Group, LLC chemical manufacturing facility in Sutton County, Texas. I have forwarded your letter to our San Angelo Regional Office for their information and to our General Counsel's Office so that the Commissioners can consider your comments regarding the proposed order.

Texas Commission on Environmental Quality (TCEQ) staff and Multi-Chem Group, LLC agreed on the terms of the proposed order on November 30, 2012. Accordingly, Multi-Chem Group, LLC was assessed, and has paid, an administrative penalty of Fifteen Thousand Five Hundred Sixty-Two Dollars (\$15,562). In addition to the penalty, the order recognizes that Multi-Chem Group, LLC has taken the following corrective actions: all outlets that provide water for human consumption were connected to an approved public water supply system; an individual wastewater permit application for storm water discharges associated with industrial activities at the Facility was submitted to the TCEQ; all unauthorized discharges of wastewater have ceased, an application for the beneficial use of industrial reclaimed water for irrigation purposes has been submitted and the reverse-osmosis reject wastewater will be hauled off-site for disposal until the beneficial use authorization is granted; and the uncapped drains of the laboratory and Containment No. 2 have been capped to prevent future leakage and soil contamination, improperly contained contaminated soil has been containerized and transported from the Facility for disposal, soil identified during the investigation as being contaminated has been excavated and transported from the Facility for disposal and confirmation sampling has been conducted which shows that these areas of soil contamination have been remediated in accordance with the Texas Risk Reduction Program standards.

Mr. James Polonis

Page 2

March 8, 2013

The technical requirements in the proposed agreed order require Multi-Chem Group, LLC to within 300 days after the effective date of the Agreed Order, submit written certification of compliance that either authorization to discharge storm water runoff has been obtained or that operation has ceased until such time that appropriate authorization is obtained.

You indicate in your letter that you have concerns regarding actions taken to protect groundwater in the area. At the time of the June 15, 2012, investigation, staff from our San Angelo Regional Office surveyed the facility and collected ten soil samples from various locations where visual evidence indicated that contamination may have occurred. These soil samples were analyzed for total petroleum hydrocarbon (TPH), volatile organic compounds, semi-volatile organic compounds and metals. Results of these analyses confirmed the presence of TPH, toluene, arsenic, tin, vanadium and zinc at levels above regulatory thresholds. Documentation was subsequently provided to the TCEQ by Multi-Chem Group, LLC demonstrating that contaminated soil was excavated and disposed of properly. Multi-Chem Group, LLC was also able to demonstrate the effectiveness of their remediation efforts by collecting confirmation samples directly below and two to three feet down-gradient of the excavation sites. Analysis of the confirmation samples showed that the presence of the aforementioned constituents were below regulatory thresholds. This evidence demonstrated to the TCEQ that the corrective actions taken by Multi-Chem Group, LLC were adequate to resolve the violation and protect the environment.

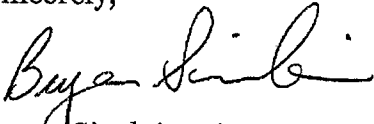
Additionally, Multi-Chem Group, LLC has ceased the discharge of reverse-osmosis reject water into an off-site earthen tank and is currently applying for a beneficial use authorization. Before granting this authorization, the TCEQ will conduct a thorough review of the source and quality of water that is being proposed to be discharged to ensure sustained protection of the environment.

Lastly, Multi-Chem Group, LLC is currently applying for an individual wastewater discharge permit to discharge storm water. As a part of the permitting process, Multi-Chem Group, LLC will be obligated to disclose its industrial processes as well as the materials that it uses that have the potential to be exposed to precipitation or run-off. The TCEQ is committed to ensuring that any discharges of wastewater are appropriately monitored for constituents that have the potential to contaminate waters of the state. As you may be aware, the public has the opportunity to have their concerns addressed directly by providing comments and requesting a public hearing on this permitting matter.

Mr. James Polonis  
Page 3  
March 8, 2013

We appreciate your input into the enforcement action currently pending against Multi-Chem Group, LLC. The proposed agreed order is expected to be considered at the Commission's Agenda on April 10, 2013. Your name has been added to the mailing list to receive a copy of the final order, should the Commission adopt it. Mr. Stephen Thompson is the Enforcement Coordinator assigned to this case. If you have further concerns or comments related to the order, please do not hesitate to call Mr. Thompson at (512) 239-2558. For complaints related to Multi-Chem Group, LLC's current operating conditions or procedures, you should continue to contact our San Angelo Regional Office at (325) 655-9479.

Sincerely,



Bryan Sinclair, Director  
Enforcement Division  
Texas Commission on Environmental Quality

BS/st

cc: Manager, Water Section, San Angelo Regional Office, TCEQ  
Mr. Boyd Guthrie, Environmental Investigator, San Angelo Regional Office,  
TCEQ





Sutton County  
Underground Water Conservation District  
301 S. Crockett Avenue  
Sonora, Texas 76950

**RECEIVED**  
MAR 04 2013  
ENFORCEMENT DIVISION

March 4, 2013

Texas Commission on Environmental Quality  
Enforcement Division, MC169  
P.O. Box 13087  
Austin, TX 78711-3087

Attention: Mr. Stephen Thompson, Enforcement Coordinator

Subject: Written Comments and Request for Public Hearing RE: Multi-Chem Enforcement Order Published 2/1/13

Reference: Docket No. 2012-1753-MLM-E

Dear Mr. Thompson,

The Sutton County UWCD (Water District) appreciates the efforts of the Texas Commission on Environmental Quality (TCEQ) guarding our environment from the negligent disposal of industrial waste. These incidents occur all too often, some going undetected for years.

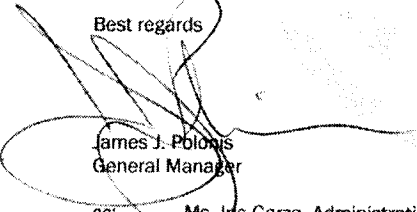
Our concern about this series of incidents investigated by the TCEQ is the lack of coordination with the Water District. When we read, with alarm, the Public Notice in the local newspaper, our response was to find out all we could about this matter. In time, we learned about the unauthorized disposal of waste onto adjoining areas of the property as well as the release of industrial RO wastes into an earthen tank. There are other discharges discovered such as: "...multiple places throughout the facility where soil was stained which indicated leaking from chemical containers. Additionally, contaminated soil was not properly contained and presented a runoff contamination hazard, contaminated water from Containment No. 2 was leaking onto the ground through an uncapped drain and contaminated water from the laboratory containment was leaking onto the ground through an uncapped drain." Multi-Chem claims to have cleaned up these areas and to have "hailed off-site for disposal" the contaminated soil and ceased putting the RO wastes in the earthen tank. Even if Multi-Chem's claims are accurate, the problem is not completely resolved because we must ensure none of these wastes have percolated into our karst aquifer.

This situation requires more investigation, fact finding, and documentation because certain facts are not correct and some are not known. Water samples from the leaking containers and the lab were not collected and analyzed. There has been no disclosure of chemicals that are stored and used in the various processes undertaken at this plant. The District requests that TCEQ continue to aggressively monitor Multi-Chem's operations to ensure compliance with the enforcement orders and TCEQ regulations. The District also requests that TCEQ share with the District all findings as the District needs to know these facts to accurately analyze the groundwater quality in and around the area of this plant.

The Edwards-Trinity Aquifer is Sutton County's only source of water. It is TCEQ and the District's duty to ensure that the Edwards-Trinity Aquifer is not contaminated and is protected for the benefit of the citizens of Sutton County and the State of Texas.

Thank you in advance for your consideration of this request. We look forward to working with you to ensure the safety of our groundwater resources.

Best regards

  
James J. Polonis  
General Manager

cc: Ms. Iris Garza, Administrative Assistant  
Sutton County UWCD Board of Directors  
Mr. John Austin Stokes, District Director, Senator Robert Duncan  
Judge Carla Garner, Sutton County Judge  
Mr. Charles Graves, City Manager, Sonora, TX  
Ms. Rhonda Jolley, Nunley Firm  
Dr. Ron Green, Southwest Research Institute

Telephone (325) 387-2369  
FAX (325) 387-5737  
E-Mail: [sutuwc7@verizon.net](mailto:sutuwc7@verizon.net)  
Website: [www.suttoncountyuwcd.org](http://www.suttoncountyuwcd.org)





# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	30-Jul-2012	<b>Screening</b>	10-Aug-2012	<b>EPA Due</b>	
	<b>PCW</b>	1-Oct-2012				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Multi-Chem Group, LLC		
<b>Reg. Ent. Ref. No.</b>	RN103948733		
<b>Facility/Site Region</b>	8-San Angelo	<b>Major/Minor Source</b>	Minor

## CASE INFORMATION

<b>Enf./Case ID No.</b>	44868	<b>No. of Violations</b>	2
<b>Docket No.</b>	2012-1753-MLM-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Water Quality	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>	Industrial and Hazardous Waste	<b>Enf. Coordinator</b>	Stephen Thompson
<b>Multi-Media</b>	Public Water Supply	<b>EC's Team</b>	Enforcement Team 3
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$5,000**

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **84.0%** Enhancement **Subtotals 2, 3, & 7** **\$4,200**

Notes: Enhancement for one NOV with same/similar violations, two NOVs with dissimilar violations, two agreed orders containing denial of liability, repeat violator status and poor performer classification.

**Culpability** **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5** **\$250**

**Economic Benefit** **0.0%** Enhancement\* **Subtotal 6** **\$0**

Total EB Amounts: \$536  
Approx. Cost of Compliance: \$11,000  
\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$8,950**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **0.0%** **Adjustment** **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

**Final Penalty Amount** **\$8,950**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$8,950**

**DEFERRAL** **0.0%** Reduction **Adjustment** **\$0**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

No deferral is recommended for Findings Orders.

**PAYABLE PENALTY** **\$8,950**

Screening Date 10-Aug-2012

Docket No. 2012-1753-MLM-E

PCW

Respondent Multi-Chem Group, LLC

Policy Revision 3 (September 2011)

Case ID No. 44868

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103948733

Media [Statute] Water Quality

Enf. Coordinator Stephen Thompson

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	1	5%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 49%

## &gt;&gt; Repeat Violator (Subtotal 3)

Yes

Adjustment Percentage (Subtotal 3) 25%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Poor Performer

Adjustment Percentage (Subtotal 7) 10%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Enhancement for one NOV with same/similar violations, two NOVs with dissimilar violations, two agreed orders containing denial of liability, repeat violator status and poor performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) 84%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 84%

Screening Date 10-Aug-2012

Docket No. 2012-1753-MLM-E

PCW

Respondent Multi-Chem Group, LLC

Policy Revision 3 (September 2011)

Case ID No. 44868

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103948733

Media [Statute] Water Quality

Enf. Coordinator Stephen Thompson

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 281.25(a)(4) and 40 Code of Federal Regulations § 122.26(c)

Violation Description Failed to obtain authorization to discharge storm water associated with industrial activity, as documented during an investigation conducted on June 15, 2012.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

## Violation Events

Number of Violation Events 2

56 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	x
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$2,500

Two monthly events are recommended, calculated from the date of the investigation, June 15, 2012, to the date of screening, August 10, 2012.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$2,500

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$522

Violation Final Penalty Total \$4,600

This violation Final Assessed Penalty (adjusted for limits) \$4,600

## Economic Benefit Worksheet

**Respondent** Multi-Chem Group, LLC  
**Case ID No.** 44868  
**Reg. Ent. Reference No.** RN103948733  
**Media** Water Quality  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost <small>No commas or \$</small>	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	---	---------------	------------	-----	----------------	---------------	-----------

### Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$10,000	15-Jun-2012	1-Jul-2013	1.04	\$522	n/a	\$522
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs include the estimated amount necessary to obtain authorization to discharge storm water associated with industrial activity from the Facility, calculated from the date of the investigation to the estimated date of compliance.

### Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

**TOTAL**

\$522

Screening Date 10-Aug-2012

Docket No. 2012-1753-MLM-E

PCW

Respondent Multi-Chem Group, LLC

Policy Revision 3 (September 2011)

Case ID No. 44868

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103948733

Media [Statute] Water Quality

Enf. Coordinator Stephen Thompson

Violation Number 2

Rule Cite(s)

Tex. Water Code § 26.121(a)(1)

Violation Description

Failed to prevent the unauthorized discharge of wastewater into or adjacent to water in the state, as documented during an investigation conducted on June 15, 2012. Specifically, at the time of the investigation, it was documented that reverse osmosis (RO) reject water was being discharged from an overflowing tank and RO reject water was being sent to an offsite pond without authorization.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 5.0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

As a result of the discharge, human health and the environment were exposed to an insignificant amount of contaminants which would not exceed levels protective of human health and the environment.

Adjustment \$23,750

\$1,250

## Violation Events

Number of Violation Events 2

56 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$2,500

Two quarterly events (one for each location of discharge) are recommended, calculated from the date of the investigation, June 15, 2012, to the date of screening, August 10, 2012.

## Good Faith Efforts to Comply

10.0% Reduction

\$250

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		X
N/A		(mark with x)

Notes

The Respondent achieved compliance on September 26, 2012.

Violation Subtotal \$2,250

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$14

Violation Final Penalty Total \$4,350

This violation Final Assessed Penalty (adjusted for limits) \$4,350



# Economic Benefit Worksheet

**Respondent** Multi-Chem Group, LLC

**Case ID No.** 44868

**Reg. Ent. Reference No.** RN103948733

**Media** Water Quality

**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	15-Jun-2012	26-Sep-2012	0.28	\$14	n/a	\$14

**Notes for DELAYED costs**

The delayed costs include the estimated amount necessary to prevent future discharges from the RO reject water tank, calculated from the date of the investigation to the date of compliance.

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

**Approx. Cost of Compliance**

\$1,000

**TOTAL**

\$14



# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	30-Jul-2012	<b>Screening</b>	10-Aug-2012	<b>EPA Due</b>	
	<b>PCW</b>	1-Oct-2012				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Multi-Chem Group, LLC		
<b>Reg. Ent. Ref. No.</b>	RN103948733		
<b>Facility/Site Region</b>	8-San Angelo	<b>Major/Minor Source</b>	Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	44868	<b>No. of Violations</b>	1
<b>Docket No.</b>	2012-1753-MLM-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Industrial and Hazardous Waste	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>	Water Quality	<b>Enf. Coordinator</b>	Stephen Thompson
<b>Multi-Media</b>	Public Water Supply	<b>EC's Team</b>	Enforcement Team 3
<b>Admin. Penalty \$</b>	<b>Limit Minimum</b>	\$0	<b>Maximum</b>
			\$25,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$3,750**

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **84.0%** Enhancement **Subtotals 2, 3, & 7** **\$3,150**

Notes: Enhancement for one NOV with same/similar violations, two NOVs with dissimilar violations, two agreed orders containing denial of liability, repeat violator status and poor performer classification.

**Culpability** **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments** **Subtotal 5** **\$375**

**Economic Benefit** **0.0%** Enhancement\* **Subtotal 6** **\$0**

Total EB Amounts \$214  
Approx. Cost of Compliance \$15,000

\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** **\$6,525**

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **0.0%** **Adjustment** **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

**Final Penalty Amount** **\$6,525**

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$6,525**

**DEFERRAL** **0.0%** Reduction **Adjustment** **\$0**

Reduces the Final Assessed Penalty by the indicted percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

No deferral is recommended for Findings Orders.

**PAYABLE PENALTY** **\$6,525**

Screening Date 10-Aug-2012

Docket No. 2012-1753-MLM-E

PCW

Respondent Multi-Chem Group, LLC

Policy Revision 3 (September 2011)

Case ID No. 44868

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103948733

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Stephen Thompson

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	1	5%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 49%

## &gt;&gt; Repeat Violator (Subtotal 3)

Yes

Adjustment Percentage (Subtotal 3) 25%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Poor Performer

Adjustment Percentage (Subtotal 7) 10%

## &gt;&gt; Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations, two NOVs with dissimilar violations, two agreed orders containing denial of liability, repeat violator status and poor performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) 84%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 84%

Screening Date 10-Aug-2012

Docket No. 2012-1753-MLM-E

PCW

Respondent Multi-Chem Group, LLC

Policy Revision 3 (September 2011)

Case ID No. 44868

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103948733

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Stephen Thompson

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 335.4

## Violation Description

Failed to prevent the unauthorized discharge and imminent threat of discharge of industrial solid waste into or adjacent to water in the state, as documented during an investigation conducted on June 15, 2012. Specifically, at the time of the investigation, it was documented that there were multiple places throughout the facility where the soil was stained which indicated leaking from chemical containers. Additionally, contaminated soil was not properly contained and presented a runoff contamination hazard, contaminated water from Containment No. 2 was leaking onto the ground through an uncapped drain and contaminated water from the laboratory containment was leaking onto the ground through an uncapped drain.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual			x	15.0%
	Potential				

## &gt;&gt; Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes

As a result of the discharge, human health and the environment were exposed to an insignificant amount of contaminants which would not exceed levels protective of human health and the environment.

Adjustment \$21,250

\$3,750

## Violation Events

Number of Violation Events 1 56 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$3,750

One quarterly event is recommended, calculated from the date of the investigation, June 15, 2012, to the date of screening, August 10, 2012.

## Good Faith Efforts to Comply

10.0% Reduction

\$375

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		x
N/A		(mark with x)

Notes

The Respondent achieved compliance on September 27, 2012.

Violation Subtotal \$3,375

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$214

Violation Final Penalty Total \$6,525

This violation Final Assessed Penalty (adjusted for limits) \$6,525

# Economic Benefit Worksheet

**Respondent** Multi-Chem Group, LLC

**Case ID No.** 44868

**Reg. Ent. Reference No.** RN103948733

**Media** Industrial and Hazardous Waste

**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal	\$15,000	15-Jun-2012	27-Sep-2012	0.28	\$214	n/a	\$214
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

**Notes for DELAYED costs**

The delayed costs include the estimated amount necessary to excavate and properly dispose of contaminated soil and ensure that the area has been remediated to acceptable conditions, calculated from the date of the investigation to the date of compliance.

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

**Approx. Cost of Compliance**

\$15,000

**TOTAL**

\$214



# Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

<b>DATES</b>	<b>Assigned</b>	30-Jul-2012	<b>Screening</b>	10-Aug-2012	<b>EPA Due</b>	
	<b>PCW</b>	1-Oct-2012				

<b>RESPONDENT/FACILITY INFORMATION</b>	
<b>Respondent</b>	Multi-Chem Group, LLC
<b>Reg. Ent. Ref. No.</b>	RN103948733
<b>Facility/Site Region</b>	8-San Angelo
<b>Major/Minor Source</b>	Minor

<b>CASE INFORMATION</b>			
<b>Enf./Case ID No.</b>	44868	<b>No. of Violations</b>	1
<b>Docket No.</b>	2012-1753-MLM-E	<b>Order Type</b>	Findings
<b>Media Program(s)</b>	Public Water Supply	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>	Industrial and Hazardous Waste	<b>Enf. Coordinator</b>	Stephen Thompson
<b>Multi-Media</b>	Water Quality	<b>EC's Team</b>	Enforcement Team 3
<b>Admin. Penalty \$ Limit Minimum</b>	\$50	<b>Maximum</b>	\$1,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$50
---	-------------------	------

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

<b>Compliance History</b>	84.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$42
---------------------------	-------------------	--------------------------------	------

Notes: Enhancement for one NOV with same/similar violations, two NOVs with dissimilar violations, two agreed orders containing denial of liability, repeat violator status and poor performer classification.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
--------------------	----	------------------	-------------------	-----

Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	\$5
--	-------------------	-----

<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
-------------------------	-------------------	-------------------	-----

Total EB Amounts: \$12  
Approx. Cost of Compliance: \$1,000  
\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$87
-----------------------------	-----------------------	------

<b>OTHER FACTORS AS JUSTICE MAY REQUIRE</b>	0.0%	<b>Adjustment</b>	\$0
---	------	-------------------	-----

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

<b>Final Penalty Amount</b>	\$87
-----------------------------	------

<b>STATUTORY LIMIT ADJUSTMENT</b>	<b>Final Assessed Penalty</b>	\$87
-----------------------------------	-------------------------------	------

<b>DEFERRAL</b>	0.0% Reduction	<b>Adjustment</b>	\$0
-----------------	----------------	-------------------	-----

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

No deferral is recommended for Findings Orders.

<b>PAYABLE PENALTY</b>	\$87
------------------------	------

Screening Date 10-Aug-2012

Docket No. 2012-1753-MLM-E

PCW

Respondent Multi-Chem Group, LLC

Policy Revision 3 (September 2011)

Case ID No. 44868

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103948733

Media [Statute] Public Water Supply

Enf. Coordinator Stephen Thompson

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	1	5%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	2	40%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 49%

## &gt;&gt; Repeat Violator (Subtotal 3)

Yes

Adjustment Percentage (Subtotal 3) 25%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Poor Performer

Adjustment Percentage (Subtotal 7) 10%

## &gt;&gt; Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations, two NOVs with dissimilar violations, two agreed orders containing denial of liability, repeat violator status and poor performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) 84%

## &gt;&gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 84%

Screening Date 10-Aug-2012

Docket No. 2012-1753-MLM-E

PCW

Respondent Multi-Chem Group, LLC

Policy Revision 3 (September 2011)

Case ID No. 44868

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103948733

Media [Statute] Public Water Supply

Enf. Coordinator Stephen Thompson

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 290.39(e)(1) and (h)(1) and Tex. Health &amp; Safety Code § 341.035(a)

Violation Description

Failed to submit plans and specifications and obtain written approval from the Executive Director prior to the construction of a new public water system.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$950

\$50

## Violation Events

Number of Violation Events 1

56 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$50

One single event is recommended.

## Good Faith Efforts to Comply

10.0% Reduction

\$5

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		x
N/A		(mark with x)

Notes

The Respondent achieved compliance on September 13, 2012.

Violation Subtotal \$45

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$12

Violation Final Penalty Total \$87

This violation Final Assessed Penalty (adjusted for limits) \$87



# Economic Benefit Worksheet

**Respondent** Multi-Chem Group, LLC

**Case ID No.** 44868

**Reg. Ent. Reference No.** RN103948733

**Media** Public Water Supply

**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	15-Jun-2012	13-Sep-2012	0.25	\$12	n/a	\$12

**Notes for DELAYED costs**

The delayed costs include the estimated amount to have the Facility tied into an existing, approved public water supply system and discontinue use of the unapproved well for consumptive purposes, calculated from the date of the investigation to the date of compliance.

## Avoided Costs

**ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

**Notes for AVOIDED costs**

**Approx. Cost of Compliance**

\$1,000

**TOTAL**

\$12

# Compliance History Report

Customer/Respondent/Owner-Operator: CN601492135 Multi-Chem Group, LLC

Regulated Entity: RN103948733 MULTI-CHEM SONORA Classification: POOR Site Rating: 127.54  
MANUFACTURING PLANT

ID Number(s): INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXR000068635  
INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # 88112  
(SWR)  
AIR NEW SOURCE PERMITS REGISTRATION 86685  
IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # F1886  
(SWR)  
POLLUTION PREVENTION PLANNING ID NUMBER P07480

Location: 349 PR 4473, SUTTON COUNTY, TX

TCEQ Region: REGION 08 - SAN ANGELO

Date Compliance History Prepared: August 21, 2012

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: August 21, 2007 to August 21, 2012

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Stephen Thompson Phone: (512) 239-2558

## Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? YES
2. Has there been a (known) change in ownership/operator of the site during the compliance period? NO
3. If YES, who is the current owner/operator? N/A
4. If YES, who was/were the prior owner(s)/operator(s)? N/A
5. If YES, when did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2011 Repeat Violator: YES

## Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.
- Effective Date: 10/23/2008 ADMINORDER 2006-0516-MLM-E
- Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: Permit No. 73375, Special Condition 10 PERMIT  
Description: Failure to analyze the pH of the scrubbing solution for the Scrubber (EPN SCBR-1) once every seven days as required in Permit Number 73375, Special Condition 10
- Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 335, SubChapter A 335.9(a)(1)  
Rqmt Prov: Permit No. 73375, Special Condition 8B PERMIT  
Description: Failure to maintain emission records which includes calculated emissions of VOC from all storage tanks during the previous calendar month and the past consecutive 12 month period as required in Permit No. 73375, Special Condition 8B
- Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
Rqmt Prov: Permit No. 73375, Special Condition 7 PERMIT  
Description: Failure to store mixtures only listed in Attachment 1 of Permit Number 73375, or approved through Special Condition Number 9
- Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)  
Rqmt Prov: Permit No. 73375, General Condition 1 PERMIT  
Description: Failure to construct and operate facilities as represented in the application for Permit Number 73375
- Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter A 335.6  
30 TAC Chapter 335, SubChapter C 335.62  
30 TAC Chapter 335, SubChapter C 335.63(a)

30 TAC Chapter 335, SubChapter R 335.503(a)  
30 TAC Chapter 335, SubChapter R 335.504  
30 TAC Chapter 335, SubChapter R 335.513  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11

Description: Failure to classify industrial solid wastes.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(d)(1)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(i)  
40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)

Description: Failure to keep containers closed except when adding or removing wastes.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(d)(1)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(3)

Description: Failure to label or mark the tank as "hazardous waste".

Classification: Moderate

Citation: 30 TAC Chapter 327 327.3(b)

Description: Failure to notify the agency as soon as possible but not later than 24 hours after the discovery of the spill or discharge.

Classification: Major

Citation: 30 TAC Chapter 331, SubChapter A 331.10(a)  
30 TAC Chapter 331, SubChapter A 331.3(a)  
30 TAC Chapter 335, SubChapter A 335.2(a)  
30 TAC Chapter 335, SubChapter O 335.431  
40 CFR Chapter 144, SubChapter D, PT 144, SubPT B 144.26(a)  
40 CFR Chapter 266, SubChapter I, PT 266, SubPT O 268.7(a)

Description: Failure to prevent the unauthorized disposal of hazardous waste.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.4

Description: Failure to properly manage industrial solid waste.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(a)

Rqmt Prov: Permit No. 73375, Special Condition 3 PERMIT

Description: Failure to comply with the annual production rate limit for products shipped off-site, as required in Permit Number 73375, Special Condition 3

Effective Date: 02/22/2010

ADMINORDER 2009-0475-IHW-E

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.4

Description: Failure to manage industrial solid waste in an a manner as to prevent the discharge or threat of discharge into or adjacent to waters in the state.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.62  
30 TAC Chapter 335, SubChapter R 335.503(a)  
30 TAC Chapter 335, SubChapter R 335.513  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11

Description: Failure to conduct hazardous waste determination and classifications.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)  
30 TAC Chapter 335, SubChapter A 335.6(h)

Description: Failed to provide notification to the TCEQ of changes in the management of industrial solid and hazardous waste and to notify the TCEQ of the intent to conduct recycling of industrial solid or municipal hazardous waste.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.10(c)  
30 TAC Chapter 335, SubChapter O 335.431(c)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT B 262.20(a)(1)  
40 CFR Chapter 268, SubChapter I, PT 268, SubPT A 268.7(a)(2)

Description: Failure to properly complete manifests.

Classification: Major

Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(2)(A)  
30 TAC Chapter 335, SubChapter A 335.9(a)(2)(B)

Description: Failure to submit the 2006 calendar year Annual Waste Summary.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(2)

40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(2)

Description: Failure to mark the date upon which each period of accumulation begins on each container.

Classification: Major

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)

40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)

Description: Failure to comply with the 90 day accumulation time limit.

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(A)

30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)

30 TAC Chapter 335, SubChapter E 335.112(a)(8)

40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(1)(ii)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT CC 265.1085(c)(3)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.192(a)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.202

Description: Failure to close a hazardous waste container when not adding or removing wastes.

Classification: Major

Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(1)(B)

30 TAC Chapter 335, SubChapter E 335.112(a)(9)

40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(1)

40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(1)(ii)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.192(b)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.192(d)

40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.193(a)(1)

Description: Failure to conduct proper tank assessments for the 1000 gallon black laboratory hazardous waste tank and the wash area concrete sump.

Classification: Major

Citation: 30 TAC Chapter 335, SubChapter C 335.67(b)

40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.32(b)

Description: Failure to mark each applicable package of hazardous waste as required.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	12/14/2007	(600134)
2	02/27/2008	(636993)
3	07/09/2008	(655024)
4	04/20/2009	(742277)
5	04/29/2009	(744089)
6	10/02/2009	(777047)
7	01/15/2010	(787604)
8	05/06/2010	(796908)
9	05/26/2010	(802081)
10	05/18/2010	(802242)
11	05/28/2010	(825172)
12	06/24/2010	(828624)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 12/14/2007 (600134) CN601492135

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.4

Description: Failure to manage industrial solid waste in an a manner as to prevent the discharge or threat of discharge into or adjacent to waters in the state.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter C 335.62

40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11

Description: Failure to conduct hazardous waste determinations.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter C 335.62  
30 TAC Chapter 335, SubChapter R 335.503(a)  
30 TAC Chapter 335, SubChapter R 335.513  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT A 262.11  
Description: Failure to conduct hazardous waste determination and classifications.

Self Report? NO Classification: Major  
Citation: 30 TAC Chapter 335, SubChapter A 335.6(h)  
Description: Failure to notify of recycling activities.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(1)(A)  
Description: Failure to keep records of all waste management activities.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter C 335.69(d)(1)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(i)  
40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)  
Description: Failure to close a hazardous waste container when not adding or removing wastes.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter C 335.69(d)(2)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(ii)  
Description: Failure to mark a container as "hazardous waste" or label to identify the contents.

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter C 335.69(a)(3)  
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(a)(3)  
Description: Failure to label or mark the tank as "hazardous waste."

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter A 335.10(c)  
Description: Failure to properly complete the hazardous waste manifest.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter O 335.431  
40 CFR Chapter 266, SubChapter I, PT 266, SubPT O 268.7(a)(2)  
Description: Failure to mark an LDR form with the appropriate information

Date: 04/20/2009 (742277) CN601492135

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)  
Description: Failure to update the Notice of Registration (NOR).

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(1)  
Description: Failure to keep records of monthly waste generation.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter A 335.9(a)(2)  
Description: Failure to provide complete and correct Annual Waste Summaries.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter A 335.10(c)  
Description: Failed to properly complete manifests.

Date: 05/06/2010 (796908) CN601492135

Self Report? NO Classification: Moderate  
Citation: 30 TAC Chapter 335, SubChapter A 335.6(b)  
30 TAC Chapter 335, SubChapter A 335.8(a)(2)  
30 TAC Chapter 350, SubChapter A 350.2(h)  
40 CFR Chapter 265, SubChapter I, PT 265, SubPT J 265.197(a)  
Description: Failure to properly close a solid waste management unit.

Self Report? NO Classification: Minor  
Citation: 30 TAC Chapter 335, SubChapter O 335.431(c)(1)  
40 CFR Chapter 268, SubChapter I, PT 268, SubPT A 268.7(a)(2)  
Description: Failure to properly complete Land Disposal Restriction Notification Forms.

F. Environmental audits.

G. Type of environmental management systems (EMSs).

N/A

- H. Voluntary on-site compliance assessment dates.  
N/A
- I. Participation in a voluntary pollution reduction program.  
N/A
- J. Early compliance.  
N/A

Sites Outside of Texas  
N/A



# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
MULTI-CHEM GROUP, LLC  
RN103948733**

**§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2012-1753-MLM-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Multi-Chem Group, LLC ("Respondent") under the authority of TEX. WATER CODE chs. 7 and 26 and TEX. HEALTH & SAFETY CODE chs. 341 and 361. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

### **I. FINDINGS OF FACT**

1. The Respondent owns and operates a chemical manufacturing facility with an associated public water supply system at 349 Private Road 4473 in Sutton County, Texas (the "Facility") that has one service connection and serves at least 25 people per day for at least 60 days per year.



2. The Respondent has discharged industrial waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26 and the Facility involves or involved the management of industrial solid waste as defined in TEX. HEALTH & SAFETY CODE ch. 361.
3. During an investigation conducted on June 15, 2012, TCEQ staff documented that the Respondent did not obtain authorization to discharge storm water associated with industrial activity.
4. During an investigation conducted on June 15, 2012, TCEQ staff documented that the Respondent did not prevent the unauthorized discharge of wastewater into or adjacent to water in the state. Specifically, at the time of the investigation, it was documented that reverse osmosis ("RO") reject water was being discharged from an overflowing tank, RO reject water was being sent to an offsite pond without authorization.
5. During an investigation conducted on June 15, 2012, TCEQ staff documented that the Respondent did not prevent the unauthorized discharge and imminent threat of discharge of industrial solid waste into or adjacent to water in the state. Specifically, at the time of the investigation, it was documented that there were multiple places throughout the facility where the soil was stained which indicated leaking from chemical containers. Additionally, contaminated soil was not properly contained and presented a runoff contamination hazard, contaminated water from Containment No. 2 was leaking onto the ground through an uncapped drain and contaminated water from the laboratory containment was leaking onto the ground through an uncapped drain.
6. During an investigation conducted on June 15, 2012, TCEQ staff documented that the Respondent did not submit plans and specifications and obtain written approval from the Executive Director prior to the construction of a new public water system.
7. The Respondent received notice of the violations on July 30, 2012.
8. The Executive Director recognizes that the following corrective actions have been taken at the Facility:
  - a. On September 13, 2012, all outlets that provide water for human consumption were connected to an approved public water supply system;
  - b. On September 21, 2012, an individual wastewater permit application for storm water discharges associated with industrial activities at the Facility was submitted to the TCEQ;
  - c. On September 26, 2012, documentation was submitted demonstrating that all unauthorized discharges of wastewater have ceased, an application for the beneficial use of industrial reclaimed water for irrigation purposes has been submitted and the RO reject wastewater will be hauled off-site for disposal until the beneficial use authorization is granted;

- d. On September 27, 2012, documentation was submitted demonstrating that the uncapped drains of the laboratory and Containment No. 2 have been capped to prevent future leakage and soil contamination, improperly contained contaminated soil has been containerized and transported from the Facility for disposal, all contaminated soil has been excavated and transported from the Facility for disposal and confirmation sampling has been conducted which shows that all areas of soil contamination have been adequately remediated.

## **II. CONCLUSIONS OF LAW**

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. WATER CODE chs. 7 and 26, TEX. HEALTH & SAFETY CODE chs. 341 and 361 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to obtain authorization to discharge storm water associated with industrial activity, in violation of 30 TEX. ADMIN. CODE § 281.25(a)(4) and 40 CODE OF FEDERAL REGULATIONS § 122.26(c).
3. As evidenced by Findings of Fact No. 4, the Respondent failed to prevent the unauthorized discharge of wastewater into or adjacent to water in the state, in violation of TEX. WATER CODE § 26.121(a)(1).
4. As evidenced by Findings of Fact No. 5, the Respondent failed to prevent the unauthorized discharge and imminent threat of discharge of industrial solid waste into or adjacent to water in the state, in violation of 30 TEX. ADMIN. CODE § 335.4.
5. As evidenced by Findings of Fact No. 6, the Respondent failed to submit plans and specifications and obtain written approval from the Executive Director prior to the construction of a new public water system, in violation of 30 TEX. ADMIN. CODE § 290.39(e)(1) and (h)(1) and TEX. HEALTH & SAFETY CODE § 341.035(a).
6. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
7. An administrative penalty in the amount of Fifteen Thousand Five Hundred Sixty-Two Dollars (\$15,562) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid the Fifteen Thousand Five Hundred Sixty-Two Dollar (\$15,562) administrative penalty.

### III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Fifteen Thousand Five Hundred Sixty-Two Dollars (\$15,562) as set forth in Section II, Paragraph 7 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Multi-Chem Group, LLC, Docket No. 2012-1753-MLM-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall within 300 days after the effective date of this Agreed Order, submit written certification of compliance that either authorization to discharge storm water runoff has been obtained or that operation has ceased until such time that appropriate authorization is obtained. The certification shall include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Water Section Manager  
San Angelo Regional Office  
Texas Commission on Environmental Quality  
622 South Oakes, Suite K  
San Angelo, Texas 76903-7013

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
7. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

8. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
9. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
10. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

  
For the Executive Director

2/19/13  
Date

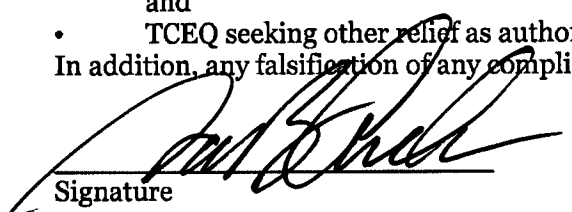
I, the undersigned, have read and understand the attached Agreed Order in the matter of Multi-Chem Group, LLC. I am authorized to agree to the attached Agreed Order on behalf of Multi-Chem Group, LLC, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Multi-Chem Group, LLC waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
Signature

11-30-12  
Date

James B. Archer

President

Name (Printed or typed)  
Authorized Representative of  
Multi-Chem Group, LLC

Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section III, Paragraph 1 of this Agreed Order.